

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

W-01983A
White Mountain Lake Estates, Inc.
P.O. Box 90890
White Mountain Lake, AZ 85912

W

RECEIVED

AUG 22 2005

AZ Corporation Commission
Director of Utilities

ANNUAL REPORT

FOR YEAR ENDING

12	31	2004
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FOR COMMISSION USE

ANN04	04
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COMPANY INFORMATION

Company Name (Business Name) <u>White Mountain Lake Estates, Inc.</u>		
<div>Mailing Street</div>		
Mailing Address <u>P.O. Box 90890</u> <u>2031 Silver Lake Blvd.</u>		
<u>White Mountain Lake</u>	<u>AZ</u>	<u>85912-0890</u>
(City)	(State)	(Zip)
<u>928-537-7583</u>	<u>928-537-5761</u>	<u>928-521-8461</u>
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address <u>property@wmonline.com</u>		
<div>Local Office Mailing Address</div>		
<div>Mailing Street</div>		
<u>P.O. Box 90890</u> <u>2031 Silver Lake Blvd.</u>		
<u>White Mountain Lake</u>	<u>AZ</u>	<u>85912-0890</u>
(City)	(State)	(Zip)
<u>928-537-7583</u>	<u>928-537-5761</u>	<u>928-521-8461</u>
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address <u>property@wmonline.com</u>		

MANAGEMENT INFORMATION

Management Contact: <u>Lemuel S. Cook</u>			<u>President / General Manager</u>
<div>Mail:</div>			<div>(Title)</div>
<u>P.O. Box 90788</u>			<u>(Name)</u>
<u>Street: 1930 Beloud Place, White Mountain Lake, AZ 85912-0788</u>			
<u>(Street)</u>	<u>(City)</u>	<u>(State)</u>	<u>(Zip)</u>
<u>928-537-8168</u>	<u>928-537-5761</u>	<u>928-521-8461</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address <u>property@wmonline.com</u>			
On Site Manager: <u>Lemuel S. Cook</u>			
<div>Mail:</div>			
<u>P.O. Box 90788</u> <u>(Name)</u>			
<u>Street: 1930 Beloud Place, White Mountain Lake, AZ 85912-0788</u>			
<u>(Street)</u>	<u>(City)</u>	<u>(State)</u>	<u>(Zip)</u>
<u>928-537-8168</u>	<u>928-537-5761</u>	<u>928-521-8461</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address <u>property@wmonline.com</u>			

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Lemuel S. Cook

(Name)

Mail: P.O. Box 90788

Street: 1930 Beloud Place, White Mountain Lake, AZ 85912-0788

(Street)

(City)

(State)

(Zip)

928-537-8168

928-537-5761

928-521-8461

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: John A. Schulenburg

(Name)

6909 E. Greenway Parkway - Suite 245, Scottsdale, AZ 85254

(Street)

(City)

(State)

(Zip)

480-998-2747

866-239-5400

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☒ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME White Mountain Lake Estates, Inc.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	-0-	-0-	-0-
302	Franchises	-0-	-0-	-0-
303	Land and Land Rights	32,841	-0-	32,841
304	Structures and Improvements	23,114	15,733	7,381
307	Wells and Springs	16,639	16,639	-0-
311	Pumping Equipment	25,031	22,053	2,978
320	Water Treatment Equipment	-0-	-0-	-0-
330	Distribution Reservoirs and Standpipes	101,633	85,673	15,960
331	Transmission and Distribution Mains	860,757	860,757	-0-
333	Services	20,369	20,369	-0-
334	Meters and Meter Installations	77,364	57,254	20,110
335	Hydrants	5,313	4218	1,095
336	Backflow Prevention Devices	168	25	143
339	Other Plant and Misc. Equipment	-0-	-0-	-0-
340	Office Furniture and Equipment	4,702	3,903	799
341	Transportation Equipment	9,903	2,450	7,453
343	Tools, Shop and Garage Equipment	14,788	7,526	7,262
344	Laboratory Equipment	-0-	-0-	-0-
345	Power Operated Equipment	7,227	5,059	2,168
346	Communication Equipment	-0-	-0-	-0-
347	Miscellaneous Equipment	-0-	-0-	-0-
348	Other Tangible Plant	-0-	-0-	-0-
	TOTALS	1,199,849	1,101,661	98,188

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME White Mountain Lake Estates, Inc.

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	-0-		-0-
302	Franchises	-0-		-0-
303	Land and Land Rights	32,841	0%	
304	Structures and Improvements	23,114	5%	1,156
307	Wells and Springs	16,639	5%	-0-
311	Pumping Equipment	25,031	5%	1,252
320	Water Treatment Equipment	-0-	-0-	-0-
330	Distribution Reservoirs and Standpipes	101,633	5%	5,082
331	Transmission and Distribution Mains	860,757	5%	-0-
333	Services	20,369	5%	(128)
334	Meters and Meter Installations	77,364	5%	3,868
335	Hydrants	5,313	5%	266
336	Backflow Prevention Devices	168	5%	8
339	Other Plant and Misc. Equipment	-0-	5%	-0-
340	Office Furniture and Equipment	4,702	10%	470
341	Transportation Equipment	9,903	5%	495
343	Tools, Shop and Garage Equipment	14,788	10%	1,479
344	Laboratory Equipment	-0-	-0-	-0-
345	Power Operated Equipment	7,227	10%	723
346	Communication Equipment	-0-	-0-	-0-
347	Miscellaneous Equipment	-0-	-0-	-0-
348	Other Tangible Plant	-0-	-0-	-0-
	TOTALS	1,199,849		14,670

This amount goes on the Comparative Statement of Income and Expense _____
Acct. No. 403.

COMPANY NAME White Mountain Lake Estates, Inc.

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 2,239	\$ 570
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	13,135	11,406
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	2,093	2,094
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	17,467	14,070
		\$	\$
	FIXED ASSETS		
101	Utility Plant in Service	\$ 1,191,679	\$ 1,199,849
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	1,086,989	1,101,659
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 104,690	\$ 98,190
	TOTAL ASSETS	\$ 122,157	\$ 112,260

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$ 2,380	\$ 2,380
232	Notes Payable (Current Portion)		28,641
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	8,325	13,472
236	Accrued Taxes	30,728	6,870
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	58	58
	TOTAL CURRENT LIABILITIES	\$ 41,491	\$ 51,421
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	12,463	20,632
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 12,463	\$ 20,632
	TOTAL LIABILITIES	\$ 53,954	\$ 72,053
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 1,000	\$ 1,000
211	Paid in Capital in Excess of Par Value	488,000	488,000
215	Retained Earnings	(420,797)	(448,793)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 68,203	\$ 40,207
	TOTAL LIABILITIES AND CAPITAL	\$ 122,157	\$ 112,260

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 200,285	\$ 194,954
460	Unmetered Water Revenue		
474	Other Water Revenues	2,863	3,792
	TOTAL REVENUES	\$ 203,148	\$ 198,746
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water	12,095	10,642
615	Purchased Power		
618	Chemicals		
620	Repairs and Maintenance	52,592	57,059
621	Office Supplies and Expense	7,469	7,178
630	Outside Services	101,276	113,709
635	Water Testing	2,120	2,454
641	Rents	7,800	9,000
650	Transportation Expenses		
657	Insurance – General Liability	2,149	554
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense		
403	Depreciation Expense	15,408	14,670
408	Taxes Other Than Income		
408.11	Property Taxes	7,739	11,380
409	Income Tax	58	58
	TOTAL OPERATING EXPENSES	\$ 208,706	\$ 226,703
	OPERATING INCOME/(LOSS)	\$ (5,558)	\$ (27,957)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	1,630	39
	TOTAL OTHER INCOME/(EXPENSE)	\$ (1,630)	\$ (39)
	NET INCOME/(LOSS)	\$ (7,187)	\$ (27,996)

COMPANY NAME White Mountain Lake Estates, Inc.

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 13,472

Meter Deposits Refunded During the Test Year

\$ 378

COMPANY NAME White Mountain Lake Estates, Inc.

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-625803	7.5	70	300	6	2	1969
55-625804	7.5	65	185	6	2	1965
55-625805	7.5	65	195	6	2	1964
55-625806	10.0	80	250	6	2	1964
55-625807	40	300	650	14	6	1967

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
15	3	4	
20	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
60,000	1	1,000	1
212,000	1	2,000	3
		3,000	1

COMPANY NAME White Mountain Lake Estates, Inc.

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	2,200
3	PVC	1,700
4	PVC	3,723
5		
6	PVC	48-925
8		
10		
12		
2	CIP	2,579
3	DIP	15,990
4	ACP	57,877

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	577
3/4	
1	3
1 1/2	
2	2
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	1
Turbo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

None

STRUCTURES:

Well Site #1 Fencing and Booster Pump Building
#2 Fencing and Booster Pump Building
#3 Fencing
#4 Vault - houses well, sump pump and pressure tank
#5 Fencing, booster pump building and well house
212,000 gal storage tank site with booster pump building and fencing

OTHER: Hand tools, traffic signs, barricades, lights, generator, backhoe, sump pumps, storage parts truck

COMPANY NAME: White Mountain Lake Estates, Inc.

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2004

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	567	1,663,931	2,280,300
FEBRUARY	566	1,821,499	2,200,000
MARCH	563	1,621,810	1,779,840
APRIL	560	1,975,720	2,670,260
MAY	569	2,326,068	2,874,800
JUNE	569	4,211,433	4,548,348
JULY	571	4,648,943	5,020,858
AUGUST	577	4,551,604	4,915,732
SEPTEMBER	582	4,152,681	4,484,895
OCTOBER	585	3,795,279	4,098,901
NOVEMBER	583	2,122,100	2,291,868
DECEMBER	583	1,876,000	2,026,080
TOTAL		N/A	39,191,883

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes (x) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes (x) No

If yes, provide the GPCPD amount: N/A

Well

1 <0.002
2 <0.002
3 <0.002
4 <0.002
5 <0.002

What is the level of arsenic for each well on your system. mg/l

(If more than one well, please list each separately.)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME White Mountain Lake Estates, Inc. **YEAR ENDING 12/31/2004**

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2004 was: \$ 22,297.78

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. N/A

WHITE MOUNTAIN LAKE ESTATE, INC.

2939

100-007000
P.O. BOX 2000
WHITE MOUNTAIN LAKE, AZ 85912

DATE 12-13-04

91-170/1221 AZ
8595

PAY TO THE ORDER OF Maricopa County Treasurer \$ 4938.60

Four thousand nine hundred thirty-eight and 60/100 DOLLARS

Bank of America

504-A-663
29-063
34-923
34-924
34-925
34-926
34-927
34-928

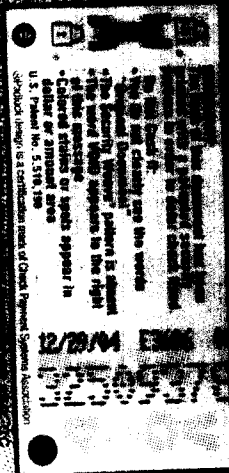
ACH/BIT 12101700

924-01-007

FOR 2004 Prop Tax

[Signature]

⑆0000493860⑆



2940

DATE 12-13-44

91-170/1221 AZ
8595

PAY
TO THE
ORDER OF

Harapo County Treasurer

\$ 8,148 ⁵⁵/₁₀₀

Eight thousand, one hundred, forty-eight and ³³/₁₀₀ —

DOLLARS

Bank of America

ACH R/T. 122101708

FOR 2003 Prop Tax 929-81-045

00029401 151221017061 0002523993470

10000814855

[illegible]

Bank of America. 

Cashier's Check

No. **004106712**

Notice to Purchaser - In the event this check is lost, misplaced or stolen, a sworn statement and 90-day waiting period will be required prior to replacement.

Date

DECEMBER 14, 2004

91-170/1221

Banking
Center

SNOW LOW

0000595 00005 4106712

WHITE MOUNTAIN LAKE ESTATE, INC
Remitter (Purchased By)

****9210.63****

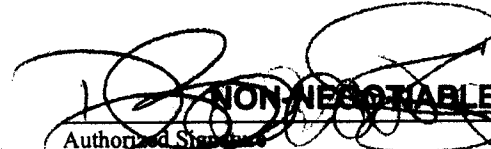
Pay

****NINE THOUSAND TWO HUNDRED TEN DOLLARS AND 03 CENTS****

\$

To
The
Order
Of

****NAVAJO COUNTY TREASURER****
0000


NON-NEGOTIABLE

Authorized Signature

Customer Copy

252563602

Retain For Your Records

03-14-3774B 7-1999

Bank of America, N.A.
Phoenix, AZ

COMPANY NAME White Mountain Lake Estates, Inc. YEAR ENDING 12/31/2004

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	(19,885)
Estimated or Actual Federal Tax Liability	-0-

State Taxable Income Reported	(19,885)
Estimated or Actual State Tax Liability	46.00

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	-0-
Amount of Gross-Up Tax Collected	-0-
Total Grossed-Up Contributions/Advances	-0-

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

8-19-05
DATE

Lemoel S. Cook
PRINTED NAME

President
TITLE

RECEIVED

VERIFICATION
AND
SWORN STATEMENT

AUG 22 2005

Intrastate Revenues Only

AZ Corporation Commission
Director of Utilities

VERIFICATION

STATE OF _____

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Navajo
NAME (OWNER OR OFFICIAL) TITLE	Lemuel S. Cook
COMPANY NAME	White Mountain Lake Estates, Inc.

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2004 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 211,083

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 12,337
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**

Lemuel S. Cook
SIGNATURE OF OWNER OR OFFICIAL
928-537-8168

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME *B. Bobbie Thayer*

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

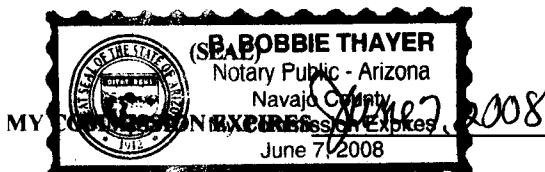
THIS

19th

DAY OF

COUNTY NAME	Navajo
MONTH	Aug
YEAR	2005

Bobbie Thayer
SIGNATURE OF NOTARY PUBLIC



RECEIVED

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

AUG 22 2005

**AZ Corporation Commission
Director of Utilities**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Navajo	
NAME (OWNER OR OFFICIAL) Lemuel S. Cook	TITLE President
COMPANY NAME White Mountain Lake Estates, Inc.	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

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ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 211,083

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 12,337
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

Lemuel S. Cook
SIGNATURE OF OWNER OR OFFICIAL
928-537-8168
TELEPHONE NUMBER

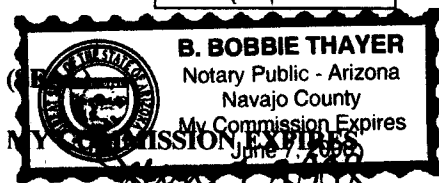
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

19

DAY OF



NOTARY PUBLIC NAME B. Bobbie Thayer	
COUNTY NAME Navajo	
MONTH August	YEAR 2005

x *B. Bobbie Thayer*
SIGNATURE OF NOTARY PUBLIC

FINANCIAL INFORMATION

Attach to this annual report a copy of the companies' year-end (Calendar Year 2004) financial statements. If you do not compile these reports, the Utilities Division will supply you with blank financial statements for completion and filing. **ALL INFORMATION MUST BE ARIZONA-SPECIFIC AND REFLECT OPERATING RESULTS IN ARIZONA.**

WHITE MOUNTAIN LAKE ESTATES, INC.

TEMPORARY ACCOUNTS SUMMARY - 2004

Income/Expense/Profit(Loss)

Retained Earnings

Account No. 215

OPERATING REVENUES

Acct. No.			
460	Unmetered Water Revenue	\$ -	
461	Metered Water Revenue	\$ 194,954	
462	Water Sales to Other Customers	\$ -	
474	Other Water Revenues	\$ 3,792	
	Total Operating Revenues		\$ 198,746

OPERATING EXPENSES

601	Salaries and Wages	\$ -	
610	Purchased Water	\$ -	
615	Purchased Power	\$ 10,642	
618	Chemicals	\$ -	
620	Repairs & Maintenance	\$ 57,059	
621	Office Supplies & Expense	\$ 7,178	
630	Outside Services	\$ 113,709	
631	Rate Case Expense	\$ -	
635	Water Testing	\$ 2,454	
641	Rents	\$ 9,000	
650	Transportation Expenses	\$ -	
657	Insurance - General Liability	\$ 554	
659	Insurance - Health and Life	\$ -	
666	Regulatory Commission Expense - Rate Case	\$ -	
403	Depreciation Expense	\$ 14,670	
408	Taxes Other Than Income	\$ -	
408.11	Property Taxes	\$ 11,380	
409	Income Tax	\$ 58	
	Total Operating Expense		\$ 226,703

OPERATING INCOME (LOSS)

\$ (27,957)

OTHER INCOME/EXPENSE

419	Interest and Dividend Income	\$ -	
421	Non Utility Income	\$ -	
426	Miscellaneous Non-Utility Expense	\$ -	
427	Interest Expense	\$ 39	
	TOTAL OTHER INCOME/EXPENSE		\$ (39)

NET INCOME (LOSS)

\$ (27,996)

WHITE MOUNTAIN LAKE ESTATES, INC.
TRIAL BALANCE - 2004

ASSETS		Acct. No.	Current and Accrued Assets		
	131		Cash	\$	570.04
	134		Working Funds	\$	-
	135		Temporary Cash Investments	\$	-
	141		Customer Accounts Receivables	\$	11,406.13
	146		Notes/Receivables from Associated Companies	\$	-
	151		Plant Material and Supplies	\$	2,093.50
	162		Prepayments	\$	-
	174		Miscellaneous Current and Accrued Assets	\$	-
	175		Adjustment Account	\$	0.01
			Total Current & Accrued Assets	\$	14,069.68
			Fixed Assets		
	101		Utility Plant in Service	\$	1,199,848.79
	103		Property Held for Future Use	\$	-
	105		Construction Work in Progress	\$	-
	108		Accumulated Depreciation - Utility Plant	\$	(1,101,659.00)
	117		Other Fixed Assets	\$	-
	121		Non-Utility Property	\$	-
	122		Accumulated Depreciation - Non Utility	\$	-
			Total Fixed Assets	\$	98,189.79
			TOTAL ASSETS		<u>\$ 112,259.47</u>
LIABILITIES			Current and Accrued Liabilities		
	231		Accounts Payable	\$	2,380.00
	232		Notes Payable (Current Portion)	\$	28,640.73
	234		Notes/Accounts Payable to Associated Companies	\$	-
	235		Customer Deposits	\$	13,471.77
	236A		Accrued Property Taxes	\$	-
	236B		Accrued Sales Tax	\$	6,870.01
	237		Accrued Interest	\$	-
	241		Miscellaneous Current and Accrued Liabilities	\$	58.00
			Total Current & Accrued Liabilities	\$	51,420.51
			Long term Debt (Over 12 Months)		
	224		Long-Term Notes & Bonds	\$	-
			Deferred Credits		
	251		Unamortized Premium on Debt	\$	-
	252		Advances in Aid of Construction	\$	20,632.50
	255		Accumulated Deferred Investment Tax Credits	\$	-
	271		Contributions in Aid of Construction	\$	-
	272		Less: Amortization Of Contributions	\$	-
	281		Accumulation Deferred Income Tax	\$	-
	284		Other Deferred Credits	\$	-
				\$	20,632.50
			TOTAL LIABILITIES		<u>\$ 72,053.01</u>
CAPITAL ACCOUNT					
	201		Common Stock Issued	\$	1,000.00
	211		Paid in Capital in Excess of Par Value	\$	488,000.00
	215		Retained Earnings - bal from 2003	\$	(420,797.26)
	215A		Retained Earnings - Temporary Account 2004	\$	(27,986.28)
	218		Proprietary Capital (Sole Props and Partnerships)	\$	-
	219		Other Capital Accounts	\$	-
			TOTAL CAPITAL ACCOUNTS		<u>\$ 40,206.46</u>
			TOTAL LIABILITIES & CAPITAL	\$	<u>-</u>
					<u>\$ 112,259.47</u>